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CAROL HERRMANN STECKEL, MPH
Commissioner

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MEDICAID ANNOUNCES VENDOR FOR STATEWIDE E-HEALTH SYSTEM

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MONTGOMERY – Medicaid Commissioner Carol H. Steckel today announced the selection of Richmond, Va.-based ACS Heritage as the vendor which will partner with the Agency and a diverse group of stakeholders to build a statewide electronic health information system in Alabama.

"The contract with ACS Heritage will enable the Alabama Medicaid Agency to move away from a process and paper-oriented system by creating an electronic health record and new capabilities that make it possible for physicians to securely access patients' lab test results, medical claims, drug and other data to make more informed patient care decisions," Commissioner Steckel said. She emphasized that the project will ultimately reduce service duplication, create a system for state health and human service agencies to share information electronically and enable the state Medicaid agency to prevent serious problems in patients with chronic illnesses.

The \$3.7 million contract between the Agency and ACS Heritage will be submitted this week for review by the Legislative Contract Review Committee at its September 6 meeting. The two-year contract calls for the development and maintenance of an electronic health information system, including an 11-county pilot test involving up to 500 Medicaid-enrolled physicians. The contract also requires the vendor to develop a system by which other state health and human service agencies can share information on common clients. The Alabama Department of Senior Services has been selected as the first state agency to test the new system.

ACS Heritage was one of seven vendors submitting proposals to the Agency. Vendors' proposals were evaluated independently by a review team of comprised of Medicaid, ADSS and state Information Services Division employees, members of the project's Stakeholder Council and physicians. Vendors were evaluated in two areas: Total cost and proposed technical response. Total cost is based on a fixed contract price for professional services and a separate cost for equipment the Agency would be required to purchase through the state.

The contract is a major component of *"Together for Quality,"* an Alabama Medicaid-led initiative to transform the state's fragmented claims and process-oriented system into one that is coordinated, patient-centered and cost-efficient. The state agency received a two-year, \$7.6 million grant in January to launch the effort.

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